



NEWS RELEASE

IDAHO WATER RESOURCE BOARD

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Water Board Signs Letter of Intent to Buy High-lift Water Rights

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Members of the Idaho Water Resource Board today passed a motion authorizing the Board's Chairman and Secretary sign a letter of intent to purchase the water rights associated with approximately 25,000 acres of irrigated land on behalf of the state from the Bell Rapids Mutual Irrigation Company based near Hagerman.

This is the first of many actions state leaders are working on to address Southern Idaho's water problems. "This agreement helps us fulfill the terms of the Snake River Basin Adjudication, while providing flow augmentation during this severe drought year," Governor Dirk Kempthorne said. "I appreciate the cooperation of the Legislative leadership in helping me craft a solution that benefits the state as well as the irrigators." Senate President Pro-Tem Bob Geddes added, "This represents progress in a tough, tough water year. It goes a long way in mitigating some of the water concerns on the Snake River Plain."

The purchase price is equivalent to a present value of approximately \$22.5 million. Bell Rapids will receive \$16 million in cash at closing and the remainder will be paid in annual interest-free installments over five years.

The Legislature will appropriate the money to the Board to make the purchase. The Board will pay that money back in part with revenues received from leasing water to the Bureau of Reclamation to augment flows for Salmon and Steelhead. The remainder will be paid back through other alternatives including the potential for the Board issuing revenue bonds that will be funded with assessments on water rights held for use on the Eastern Snake Plain.

The Board received 30 responses earlier this year to its "Invitation for Offers to Sell" water rights. Today's action is the first step in responding to those who offered to sell their water rights.

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